# GOVERNMENT OF INDIA
# COAL
# LOK SABHA

UNSTARRED QUESTION NO:2565
ANSWERED ON:05.12.2000
LOSS TO COAL MINES UNDER MCL
BHARTRUHARI MAHTAB

**Will the Minister of COAL be pleased to state:**

(a) the details of the coal mines under Mahanadi Coalfields Limited (MCL) which are running in losses;

(b) the reasons therefor;

(c) the losses suffered by each mine during each of the last three years and the current year; and

(d) the steps taken or proposed to be taken by the Government to check losses in these coal mines?

## Answer

MINISTER OF STATE FOR COAL (SHRI N.T.SHANMUGAM)

(a) to (c): The details of mines of Mahanadi Coalfields Limited (MCL) running into losses and the amounts of losses suffered by such mines during the last four years are given below.

(Rs. in lakhs)

| Name of the Mine | 1997-98 | 1998-99 | 1999-2000 | 2000-2001 (prov. Upto Sept. 2000 |
|---|---|---|---|---|
| Underground Mines | | | | |
| Talcher | 684.16 | 1116.68 | 696.05 | 498.50 |
| Deulbera | 769.73 | 857.73 | 497.19 | 282.73 |
| Nandira | 16.02 | 366.69 | 374.91 | 237.44 |
| Handidhua | 291.67 | 452.30 | 470.52 | 145.98 |
| Orient Mine No.1 & 2 | 778.37 | 867.87 | 1084.64 | 468.00 |
| Orient Mine No.3 | 596.51 | 1105.15 | 1241.62 | 422.14 |
| Orient Mine No.4 | 505.16 | 658.81 | 746.64 | 294.10 |
| Hingir Rampur Colliery | 903.87 | 986.19 | 1185.11 | 540.86 |
| Hirakhand Bundia Incline | 828.74 | 376.26 | 810.56 | 230.01 |
| Open Cast Mine Lajkura | 655.97 | 1100.93 | 5.49 | |

The main reasons for losses suffered by these mines are as follows:-

i) Underground mines are labour intensive and wage cost constitutes 60% of the cost of production.
ii) Most of the mines are 70 years old and mining has become more and more difficult with the passage of time.

iii) These mines have been developed extensively and hauling distance of coal has increased

iv) Modern steel roof support system has been introduced involving skilled manpower and higher store cost.
v) In some underground mines, there are overlying opencast projects which have restricted the working place and increased the roof support cost.

vi) Good quality of coal has been exhausted and present workings are confined to inferior section of coal resulting in inferior grade.

In regard to open cast mine, loss has occurred since the coal to over burden ratio has increased significantly and, the reserve is on the verge of exhaustion.

(d): Following steps have been taken by the MCL to reduce the losses :-

i) Mechanisation of some of the underground mines
ii) Re-arrangement of transport system in underground mines.
iii) Gainful deployment of surplus manpower.
iv) Opening of new mine in Hingir Rampur seam to increase production and productivity during the year 2001-02.
v) Extension of Talcher colliery.
vi) Opening of Natraj & Jagannath east underground mines to replace the loss making ones.